REMARKS

The Office Action in the above-identified application has been carefully considered and this amendment has been presented to place this application in condition for allowance.

Accordingly, reexamination and reconsideration of this application are respectfully requested.

Claims 1-19 are in the present application. It is submitted that these claims, are patentably distinct over the prior art cited by the Examiner, and that these claims are in full compliance with the requirements of 35 U.S.C. § 112. No changes to the claims are made herein.

Claims 1, 4-7, and 12-16 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Koz (U.S. Patent 5,990,955) in view of Guenther et al. (U.S. Patent 6,418,422) and further in view of Wonfor et a. (U.S. Patent 6,381,747).

The present invention is "a terminal apparatus into which any one of a first and a second memory card is selectively inserted, said first memory card carrying a signal processing circuit for copyright protection, said second memory card not carrying a signal processing circuit for copyright protection." (Claims 1, 8, 12, and 17) The apparatus switches between a first recording mode and a second recording mode of lower quality than the first recording mode on the basis of whether the loaded memory card is judged as being of the first or second type. Even if a user mistakenly inserts a memory card of the second type, content can still be recorded, albeit at a lower quality, because the recording apparatus has the second recording mode for recording on a memory card without a copy protection circuit.

The Examiner maintains his previous rejection using Koz and Guenther and added the Wonfor reference to meet the limitations of "the first memory card carrying a signal processing circuit for copyright protection; and judging on the basis of whether said memory card supports copyright protection." (Office Action page 5) However, Wonfor discloses a copy protection circuit in a set-top box to prevent downstream recording of copyrighted content. (see Figure 2) Hence, Wonfor does not disclose a "memory card carrying a signal processing circuit for copyright protection" as required in the present claims. Moreover, Wonfor simply modifies the signal to degrade the quality of any recording of the copyright material; rather than judging whether the recording medium supports copyright protection and allowing full-quality recording if protection is supported and degrading the quality only if protection is not supported. Further, Wonfor's signal degradation is intended to prevent the use of recorded copyright material; whereas content recorded at lower quality on the present invention's second memory card is still of acceptable/usable/enjoyable quality.

Additionally, the present invention judges whether an inserted memory card supports copyright protection and controls the selection of the first or second signal to be recorded on the memory card based on this judgment. Neither Koz, Guenther, nor Wonfor meets the limitation of "judging whether a memory card inserted into said terminal apparatus is said first memory card or said second memory card on the basis of whether said memory card supports copyright protection" and "controlling said selecting means in accordance with a judgment made by said judging means" as required in the present invention.

Applicants further believe the cited references do not address the motivation for the present invention in solving the problem of inadvertently using an incorrect recording medium

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(i.e. inserting a non-copyright protected memory card) as described in the background. Hence, there is no reason or suggestion for combining the teachings of the cited references.

Accordingly, Applicants believe the cited references simply do not suggest reducing the recording quality bases on whether the recording medium is copyright secure or not. Therefore, for at least these reasons, the combination of Koz, Guenther, and Wonfor fails to obviate the present invention and the rejected claims should be allowed.

Claims 2-3 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Koz in view of Guenther and Wonfor, and still further in view of Fuchigami et a. (U.S. Patent 6,160,953). Claims 8-11 and 17-19 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Koz in view of Guenther and Wonfor, and still further in view of Nejime et a. (U.S. Patent 5,717,818). Fuchigami and Nejime are relied upon solely to meet various limitations of the dependent claims. However, Fuchigami and Nejime fail to meet the same independent claim limitations discussed above in the relation to Koz, Guenther and Wonfor. Accordingly, the combination of Fuchigami and/or Nejime with Koz, Guenther, and Wonfor fails to obviate the present invention and the rejected claims should be allowed.

In view of the foregoing amendment and remarks, it is respectfully submitted that the application as now presented is in condition for allowance. Early and favorable reconsideration of the application are respectfully requested.

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No additional fees are deemed to be required for the filing of this amendment, but if such are, the Examiner is hereby authorized to charge any insufficient fees or credit any overpayment associated with the above-identified application to Deposit Account No. 50-0320.

If any issues remain, or if the Examiner has any further suggestions, he/she is invited to call the undersigned at the telephone number provided below. The Examiner's consideration of this matter is gratefully acknowledged.

Respectfully submitted, FROMMER LAWRENCE & HAUG LLP

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